



Larry Hogan, Governor  
Boyd Rutherford, Lt. Governor  
Jeannie Haddaway-Riccio, Secretary  
Allan Fisher, Deputy Secretary

**Maryland Department of Natural Resources  
Fiscal Year 2023 Operating Budget  
Response to Department of Legislative Services Analysis**

Senate Budget and Taxation Committee  
Public Safety, Transportation, And Environment Subcommittee  
Senator Cory V. McCray  
March 3, 2022

House Appropriations Committee  
Transportation And The Environment Subcommittee  
Delegate Marc Korman  
March 7, 2022

**Operating Budget Recommended Actions**

**1. DLS recommends that budget bill language be added to restrict funding pending the submission of the Chesapeake and Atlantic Coastal Bays 2010 Trust Fund annual work and expenditure plans.**

**Agency Response:** DNR will continue to provide the Chesapeake and Atlantic Coastal Bays 2010 Trust Fund Annual Work and Expenditure Plan each year. Therefore, a funding restriction is unnecessary.

**2. DLS recommends the addition of committee narrative to request that the Administration continue to publish the overall Chesapeake Bay restoration data in the Governor's Budget Books and provide the electronic data separately.**

**Agency Response:** The Administration will continue to provide the requested data. Therefore, a funding restriction is unnecessary.

**The Department of Legislative Services (DLS) recommends that DNR comment on the status of disbursement of the CARES Act and Consolidated Appropriations Act funding and the likelihood that it will receive IIJA funding.**

**Agency Response:** 1,074 entities received payments under the initial round of CARES funding, which totaled \$3 million in direct assistance. The second round of CARES funding totaled \$3.4 million, which, pending final approval from NOAA, will be disbursed to the same eligible entities. The remaining \$1 million will be used for programs to strengthen fishery markets for Maryland's commercial fishing, charter, and aquaculture industries. DNR is still awaiting NOAA's final approval to proceed.

While we do anticipate that significant increases in federal funding will come to Maryland, detailed spending plans are not yet available so it is unclear how much funding DNR might be eligible for if any. DNR will work with the Governor's Infrastructure Subcabinet and actively monitor opportunities to compete nationally for funds related

to natural resources management. These opportunities likely include funding for projects related to wildfire suppression, wildlife management, fish passage, adaptation, resiliency, and habitat restoration.

**DLS recommends that DNR comment on a long-term funding strategy to address MPS' operating needs in light of the enhancements provided in SB 541 and HB 727 and to comment on the three new State parks proposed to be opened in fiscal 2023.**

**Agency Response:**

The Governor's Allowance includes nearly \$75 million for the Maryland Park Service, a 20-year high. DNR looks forward to working with the Maryland General Assembly to ensure sustainable funding support for state park operations.

DNR plans to formally open two state parks this summer. Activities are also underway for opportunities to expand existing state parks and create new state parks in regions throughout the state.

Funds have been budgeted in FY23 to study the management and staffing of the Maryland Park Service, and devise a park system wide plan and strategies.

**DLS recommends that DNR comment on what guarantee there is that the Fair Hill Foundation will pay back the State the remaining \$7.1 million owed to the Natural Resources Development Fund.**

**Agency Response:**

On April 15, 2019, DNR and Fair Hill Foundation (FHF) entered into a Memorandum of Understanding (MOU) in which FHF agreed to pay \$9 million to DNR on or before January 15, 2020. Given that the FHF has been unable to repay the full amount at one time, DNR submitted a revised and restated MOU to the FHF on December 30, 2021 that provides a process for FHF to repay the outstanding balance in payments. FHF is still reviewing the MOU.